

**FORM 5-4**  
**CALCULATION OF NET OPERATING EXPENSES**

Line		Amounts	TOTAL
1	Total operating expenses from financial statements		
2	Deductions		
a	Interest paid on long-term debt (see instructions)		
b	Credit enhancement premiums paid for long-term debt (see instructions)		
c	Depreciation		
d	Amortization		
e	Revenues received during the fiscal year for services to persons who did not have a continuing care contract		
f	Extraordinary expenses approved by the Department		
3	Total Deductions		
4	Net Operating Expenses		
5	Divide Line 4 by 365 and enter the result.		
6	<b>Multiply Line 5 by 45 and enter the result.</b> This is the provider's operating expense reserve amount.		

PROVIDER: \_\_\_\_\_  
COMMUNITY: \_\_\_\_\_